Miamian Asserts I.R.S. Recruited Her To Spy Out Personal Data on Officials

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MIAMI, March 14—A Miami woman said today that she was recruited by the Internal Revenue Service in 1972 to take part in a widespread operation to gather information on the sex life and drinking habits of 30 prominent South Floridians, among them a state attorney involved in the Watergate investigation.

The woman, Elsa Suarez, said the spy effort had been dubbed Operation Leprechaun and had been aimed mainly at Federal and state judges and several city and county commissioners.

She said that the over-all goal of the operation had never been made very clear to her. But she said that she had been promised a life-long pension of $20,000 a year and a home abroad if she could come up with information that would "get" the state attorney, Richard Gerstein of Dade County.

"It was like a small C.I.A. operation," she asserted in an interview. "I was supposed to mingle in local exclusive clubs and bars and these judges and politicians, pick up all the dirt I could, maybe even go to bed with them.

"I never did sleep with anybody or get any good dirt during the three months I was on the job. My contacts had told me that the people I was supposed to watch were 'no good,' that one was a homosexual, that others had mistresses."

Only on Tax Violations

The Internal Revenue Service normally gathers intelligence only on tax violations.

Local officials of the agency refused to comment on Mrs. Suarez's charges and referred all queries to their Washington headquarters. In Washington, a spokesman or the agency said its top officials were "in a meeting."

Six weeks ago, The Philadelphia Bulletin reported that a secret unit of the I.R.S. that allegedly had collected "personal information" on thousands of American citizens in recent years had been ordered to disband and destroy its files.

The article indicated that the unit had operated in a number of cities, including Miami. It quoted sources who said that some of the unit's operatives had reported directly to the White House when Richard M. Nixon was President.

One such operative, it added, was Thomas Lopez, a Miami tax agent.

Mrs. Suarez, in asserting that she had spied for the service, produced several supporting documents and mentioned Mr. Lopez's name. One document appeared to be a photocopy of a letter from the I.R.S. regarding $2,960 allegedly paid her by the agency.

Named Contact

Another document appeared to be a receipt indicating that she had shared a safe-deposit box at the Florida National Bank in Coral Gables with John T. Harrison, whom she named as her chief contact in the agency, along with Mr. Lopez.

Mrs. Suarez, a 33-year-old divorcee, has made a sworn statement regarding her assertions to Richard Gerstein, the State Attorney for Dade County who is one of the 30 persons she was told to watch.

Mr. Gerstein, an early investigator in the Watergate case because of its many Florida aspects, called this afternoon for a Congressional investigation of Mrs. Suarez's charges.

"In the meantime," he said, "I'm conducting my own investigation to see if any local laws have been violated. I want to know if any tax people have threatened any bar owners or the like with tax suits or loss of licenses for failing to come up with information on people like me.

"All I can add is that I hope the secret files contain only the real facts on me, not my fantasies."

Mrs. Suarez said she apparently had been recruited by the I.R.S. because of an earlier undercover association with other Federal agencies, among them the Drug Enforcement Administration, and because she had voluntarily approached the tax agency with information about a tax violation.

After joining the I.R.S. spying operation, Mrs. Suarez reported, she was given a code name—Carmen—and was told to recruit other undercover agents.

"I got two guys," she said, "one of whom had worked with me earlier on a narcotics case."

She did not disclose any names.

She said her contacts at the agency had told her that they were interested mainly in the "sexual hangups" of the people she was assigned to watch.

"They told me, 'Get Gerstein in particular because he's making trouble with his Watergate investigation,'" she recounted.

Not Clear on Objective

"They said they would give me a $20,000-a-year pension for life, new identity and a home abroad if I were successful. But other than that, they were never very clear about the objective of Operation Leprechaun."

To make her job easier, Mrs. Suarez said, the I.R.S. gave her a car and membership in the Jockey, Palm Bay and Mutiny Clubs, three of Miami's most exclusive organizations.

"I would go to these clubs and try to meet the people I was supposed to be watching," she said. "I didn't have a whole lot of luck.

"They also told me to get involved in politics because that would introduce me to a lot of people."

After three months of trying and producing little information she said, she told one of her contacts that she wanted to quit.

I thought things looked fishy," she recounted, "but the contact became very angry and threatened me and my children."

Mrs. Suarez was reported today to be under police protection.